

Sauti.

SMARTPHONE ADOPTION AMONG TRADERS IN KENYA AND UGANDA

March 2022

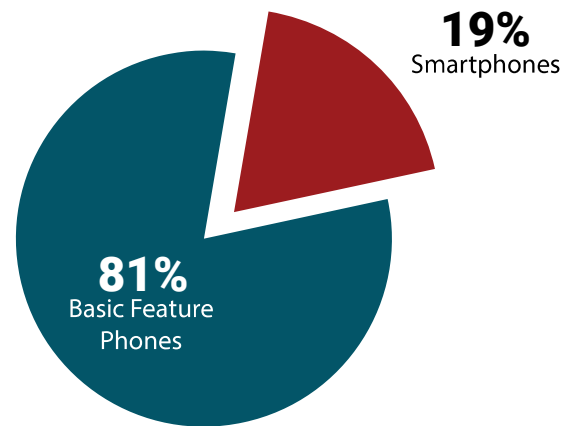


ABOUT THIS REPORT

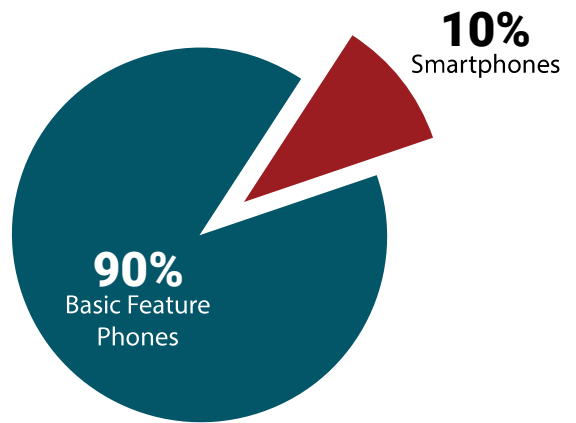
Despite the growth of smartphones among Africa's urban populations, traders often operate with basic feature phones. This report details findings from Sauti East Africa's surveys of smartphone access among Kenyan and Ugandan traders. 4,136 participants were surveyed in Kenya and 1,334 in Uganda. Participants were selected from users of Sauti's market and trade information platform.

OUR FINDINGS

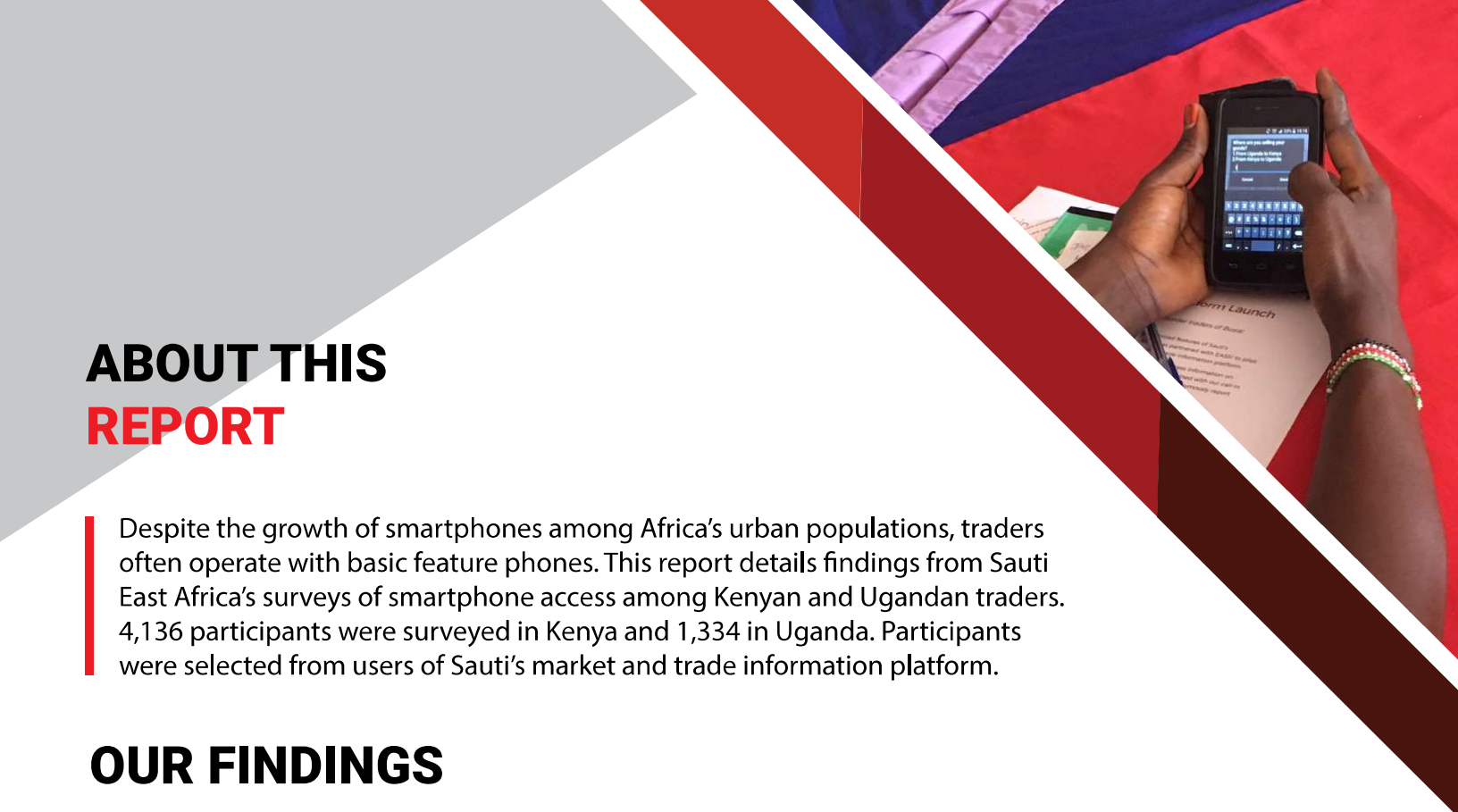
- Smartphone penetration is extremely low in Kenya and Uganda. With 19% and 10% of traders reporting access to a smartphone in each respective country.
- Smartphone access was found to be slightly more ubiquitous among women (18%) compared to men traders (14%). Adoption was much higher among women without formal education (18%), compared to men without formal education (9%). This may suggest that women are faster adopters of smartphones than men.
- Smartphone adoption was not found to be significantly higher among traders aged less than 30 (16%) compared to older traders (18%).
- Domestic traders in both countries are slightly more likely to have smartphones (avg. 18%) compared to cross-border traders (avg. 12%).
- The traded commodities by traders with basic feature phones compared to those with smartphones are relatively similar. Smartphone users were found to be slightly more diversified in fruits and animal products, and less concentrated in cereals and beans.



KENYAN TRADERS



UGANDAN TRADERS



KE & UG TRADERS' DEMOGRAPHICS

PHONE TYPE BY GENDER

WOMEN

82%
Basic Feature Phones

18%
Smartphones

MEN

85%
Basic Feature Phones

15%
Smartphones

PHONE TYPE BY AGE

LESS THAN 30 YEARS OLD

84%
Basic Feature Phones

16%
Smartphones

AGES 31-50

82%
Basic Feature Phones

18%
Smartphones

AGES 50+

84%
Basic Feature Phones

16%
Smartphones

PHONE TYPE BY EDUCATION

NO FORMAL EDUCATION

90%
Basic Feature Phones

10%
Smartphones

PRIMARY EDUCATION

91%
Basic Feature Phones

9%
Smartphones

SECONDARY EDUCATION

83%
Basic Feature Phones

17%
Smartphones

POST-SECONDARY EDUCATION

77%
Basic Feature Phones

23%
Smartphones

KE & UG TRADERS' BUSINESS ACTIVITIES

PHONE TYPE BY DOMESTIC AND CROSS-BORDER TRADERS

KENYAN DOMESTIC TRADERS



UGANDAN DOMESTIC TRADERS



KENYAN CROSS-BORDER TRADERS

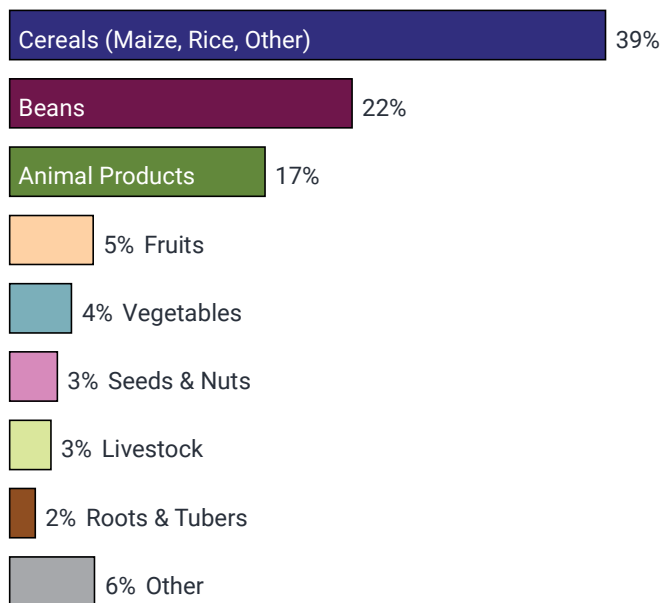


UGANDAN CROSS-BORDER TRADERS

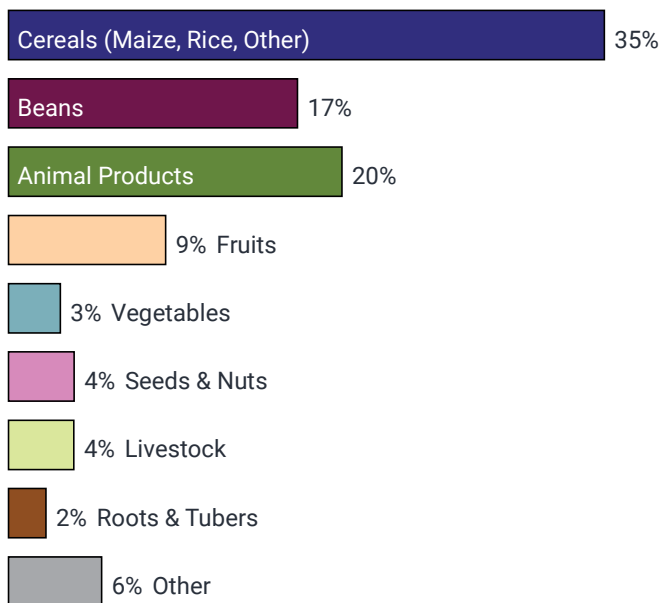


TRADED COMMODITIES BY PHONE TYPE

BASIC FEATURE PHONES



SMARTPHONES



CONCLUDING REMARKS

The data highlights that a significant majority of Kenyan and Ugandan traders are using basic feature phones for their business activities. While there may be some opportunities with specific demographics, smartphone penetration among all trader sub-samples was still found to be relatively low. Moreover, the data highlights the vastness of the digital divide among Kenyan and Ugandan traders and traders' limits in technological capacity to access digital resources - which often require internet-enabled smartphones. Development programming and digital innovations must consider these limits when designing regional trade facilitation solutions.

METHODOLOGY NOTE

A number of assumptions were made in developing the methodology for this report:

1. A phone number that accesses Sauti's USSD-based mobile information platforms means that a user is using either a basic feature phone or a smartphone
2. A phone number that can receive WhatsApp messages is using a smartphone.

Given these assumptions, phone type was determined with the following process: First, the initial sample was taken from users that accessed Sauti's USSD-based mobile information platforms in Kenya and Uganda (see USSD codes below). Then, push WhatsApp messages were sent to the phone numbers that accessed the USSD platform. For WhatsApp messages that were successfully delivered, the user was considered to have access to a smartphone. For those messages that failed because the number was not registered to a WhatsApp account, the user was assumed to have a basic feature phone.

Supplementary data (demographic and business activities) was matched with data previously made available to Sauti.

While the technical approach to determining smartphone accessibility mitigates user response bias (it is a technical test of WhatsApp registration), it assumes traders install and register WhatsApp to their phone number. The prevalence of WhatsApp in East Africa suggests this risk is minimized. Previous in-person surveys of cross-border traders across East Africa conducted by Sauti also validate the data and findings.

OUR DATA

SAUTI TRADE INSIGHTS

<https://tradeinsights.sautiafrica.org/>

OUR MOBILE PLATFORMS

KENYA

Dial *716#

TANZANIA

Dial *149*46*1#

UGANDA

Dial *284*111#

RWANDA

Dial *801*35#

WHATSAPP

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ABOUT SAUTI

Sauti East Africa provides trade and market information services that empower cross-border traders in East Africa to trade legally, profitably, and safely.